



SF 366 – Radon School Testing (LSB 1136SV.1)
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Fiscal Note Version – Revised (based on updated data)

Description

Senate File 366 requires radon gas testing and control for new residential construction to be implemented beginning on July 1, 2013. Additionally, this Bill requires public and nonpublic schools to be tested for radon gas in each school building by June 30, 2025, and each 10-year period thereafter. If the results of the testing process exceed the specified levels, this Bill requires school districts and nonpublic schools to implement a mitigation plan within one year and provide for additional testing and monitoring following the mitigation process.

Other provisions of this Bill include:

- Allows for Physical Plant and Equipment Levy (PPEL) funds to be used for radon testing and radon mitigation.
- Creates a Radon Education Fund for the deposit of fees collected by the Department of Public Health (DPH). Requires the fees collected by the DPH to be used for radon certification and credentialing programs, for the costs associated with additional full-time equivalent (FTE) positions required for program services and investigations, and may be used for educational purposes to promote awareness of and testing for radon.
- Requires that noncompliance with an order to remedy the specified conditions will result in a simple misdemeanor.

Assumptions

Assumptions for the estimated fiscal impact include:

- Radon fees collected by the DPH will be maintained by the DPH or deposited in the Radon Education Fund rather than be deposited in the General Fund.
- The DPH will require an additional 0.5 FTE position to implement the provisions of the Bill.
- The DPH may need to increase fees to cover the additional costs resulting from enactment of this Bill.
- No significant correctional impact is associated with this Bill.
- Public school districts will be required to test schoolrooms within each school building. The Legislative Services Agency (LSA) estimates that approximately 10.0% to 15.0% of school districts currently do some radon testing in their school buildings (all currently test for radon in preschool rooms). Based on the 2012-2013 Department of Education address file, there are 1,372 public school buildings in the state (not including the early childhood centers).
- Nonpublic schools will be required to test schoolrooms within each school building. Based on the Department of Education's 2012-2013 address file there are 198 nonpublic school buildings in the state.
- Radon tests will be administered by a licensed professional. Based on information from the Environmental Protection Agency (EPA) the cost of testing schools by radon professionals may range up to \$1,500.
- Cost of radon mitigation will vary, and may range between \$5,000 and \$15,000. Additionally, in some cases, ventilation adjustments can lead to radon reduction.
- The mitigation costs resulting from positive radon testing are unknown. Public school districts may use PPEL funding to pay costs associated with the radon mitigation process.

Additionally, in some cases (based on each school district's revenue purpose statement), school districts may use funds from the Secure an Advanced Vision for Education (SAVE) Fund to pay costs associated with the radon mitigation process.

- Nonpublic school districts do not receive PPEL funds or SAVE funds and will not be able to access those specified funds to pay costs associated with radon testing or the radon mitigation process.

Fiscal Impact

This Bill has the following fiscal impacts:

- Beginning in FY 2014, a reduction in General Fund revenue totaling \$160,000 annually. The radon fee revenue will be used by the DPH to cover costs associated with staffing, administering, and implementing the requirements of this Bill. Any fees remaining will be deposited in the Radon Education Fund.
- The DPH indicates the provisions of this Bill will require \$228,000 annually to cover costs associated with staff and administration. This is an increase of \$65,000 compared to current law. The DPH will use radon fee revenues to cover the additional costs resulting from the requirements in this Bill. Additionally, the DPH may need to increase fees to fully cover costs associated with the program.
- The LSA estimates the statewide additional cost of radon testing in public school districts at approximately \$1.9 million (the cost per district will vary but average cost per district is estimated at \$5,300). Testing and costs incurred may be phased-in between FY 2015 and FY 2025.
- The cost estimate for radon mitigation to public school districts is currently unknown and will depend on the number of radon tests that provide positive radon results. Any costs associated with the radon mitigation process may lead to property tax increases through the additional use of PPEL funds or any additional modified allowable growth amounts granted by the School Budget Review Committee for radon mitigation purposes. However, the use of SAVE funds (if allowed based on the district's revenue purpose statement) may offset any property tax increases resulting from the radon mitigation process.
- The statewide cost estimate for radon testing for nonpublic schools is approximately \$300,000. The testing provision can be phased in between FY 2015 and FY 2025. Any costs for nonpublic schools associated with radon mitigation are unknown.
- Refer to the [Correctional Impact Memo](#) dated February 11, 2013, for information related to correctional penalties. This Bill will have a minimal correctional impact.

Sources

Iowa Department of Public Health

Iowa Department of Education, 2012-2013 Public and Nonpublic School Address file

Iowa Association of School Boards

United States Environmental Protection Agency:

<http://www.epa.gov/iaq/schools/tfs/guideg.html#Testing and Mitigation Costs>

LSA analysis and calculations

/s/ Holly M. Lyons

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The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
